

1. Marketing is not required for one of the following products _____?

- a) Corporate Loans
- b) Export Business
- c) Import Business
- d) Credit Card Business
- e) none

2. A 'Buyers' Market' means _____?

- a) buyers are also sellers
- b) sellers are also buyers
- c) there are no sellers
- d) demand exceeds supply
- e) supply exceeds demand

3. Market share analysis helps the track _____?

- a) Share price movements
- b) percentage share of business
- c) pricing strategy for share values
- d) All of these
- e) none

4. Diversification means _____?

- a) marketing in different countries
- b) marketing diverse companies
- c) making new, diverse products
- d) marketing by diverse sales team
- e) none

5. Study of marketing environment means _____?

- a) study of company's markets, customers and competitors
- b) study of economic environment
- c) study of current trends
- d) All of these
- e) none

6. A Market plan includes _____?

- a) market objectives
- b) market research
- c) pricing strategy
- d) situation analysis
- e) All of these

7. Customization is useful for _____?

- a) motivating the sales force
- b) to add variety in marketing
- c) value added service
- d) pleasing target customers
- e) none

8. Telemarketing campaigns are resorted to _____?

- a) avoid cold calls
- b) avoid buyer resistance
- c) avoid seller inhibitions
- d) reaching a wider audience
- e) All the above

9. Customer Retention means _____?

- a) retaining the customers at the Bank for the full day
- b) quick disposal
- c) customers dealing with the same bank for long time
- d) better standards
- e) All the above

10. The Traditional Marketing style involves _____?

- a) Telemarketing
- b) Direct Marketing
- c) Indirect Marketing
- d) Digital Marketing
- e) All the above

11. Which is the technique used for effective marketing planning?

- a) psychological tools for marketing
- b) goal oriented
- c) marketing research
- d) physical distribution
- e) All the above

12. 'Niche' Market means _____?

- a) a free market
- b) a social market
- c) equity market
- d) capital market
- e) a specified market for the target group

13. Internal Marketing means _____?

- a) Selling to oneself
- b) Selling to the employees
- c) Selling of samples
- d) Selling to foreign markets
- e) none

14. Marketing in Banks is required for _____?

- a) Getting new customers
- b) Retaining existing customers
- c) Lending
- d) Accepting of deposits
- e) All of these

15. Advertisements are required for _____?

- a) Boosting the production levels
- b) Motivating the employees
- c) Boosting the sales
- d) All of these
- e) none

16. A Call means _____?

- a) calling on friends
- b) calling on bank employees
- c) calling on prospective customers
- d) calling on insurance employees
- e) none

17. For effective selling, salesman should be which of the following _____?

- a) pushy
- b) aggressive
- c) timid
- d) calmness
- e) talkative

18. Customer Loyalty means _____?

- a) shifting of customers from one bank to another
- b) customers banking with one bank exclusively
- c) customers returning lost items
- d) customers giving gifts to banks
- e) none of these

19. Rural Marketing involves _____?

- a) selling to farmers and agriculturalists
- b) selling to rural households
- c) selling to rural industries
- d) All the above
- e) none

20. Which is the Four C's of marketing?

- a) customer, cost, communication, convenience
- b) corporate, cost, communication, convenience
- c) consumer, cost, communication, convenience
- d) competition, cost, communication, convenience
- e) none

Note:

4 P's vs 4 C's vs 4V's:

- i) Product vs. Consumer
- vs. Validity
- ii) Price vs. Cost
- vs. Value
- iii) Promotion vs. Communication
- vs. Vogue
- iv) Place vs. Convenience
- vs. Venue

4 A's of marketing:

- i) Availability
- ii) Affordability
- iii) Acceptability
- iv) Awareness

4 E's of Marketing:

- i) Experience (Product incase of 4 P's)
- ii) Everyplace (Place)
- iii) Exchange (Price)
- iv) Evangelism (Promotion)

4 R's of Marketing:

- i) Relationships
- ii) Retention
- iii) Results
- iv) Rewards

4 M's of marketing:

- i) Measurement
- ii) Media
- iii) Market
- iv) Message

1. The choice between high markups and high volume is part of which of the following retailer marketing decisions?

- (a) Targeting decisions
- (b) Product assortment and services decisions
- (c) Pricing decisions
- (d) Promotion decisions

2. All of the following factors can affect the attractiveness of a market segment EXCEPT?

- (a) the presence of many strong and aggressive competitors
- (b) the likelihood of government monitoring
- (c) actual or potential substitute products
- (d) the power of buyers in the segment

3. The type of sales force structure in which the sales force sells along product lines is called a _____?

- (a) territorial sales force
- (b) product sales force
- (c) customer sales force
- (d) retail sales force

4. Technological advances, shifts in consumer tastes, and increased competition, all of which reduce demand for a product are typical of which stage in the PLC?

- (a) decline stage
- (b) introduction stage
- (c) growth stage
- (d) maturity stage

5. Costs that do not vary with production or sales levels are called _____?

- (a) fixed costs
- (b) variable costs
- (c) standard costs
- (d) independent costs

6. The advantages of audience selectivity, no ad competition and personalization apply to which type of media?

- (a) Newspapers
- (b) Television
- (c) Direct Mail
- (d) Radio

7. If your company were to make a product such as a suit of clothes and sold that product to a retailer, your company would have sold to the _____ market?

- (a) reseller
- (b) business
- (c) government
- (d) service

8. The shrinking of distances due to technological advance such as computer and fax connections by telephone, are one characteristic of what new challenge to marketing?

- (a) Rapid globalization
- (b) The changing world economy
- (c) The call for more socially responsible marketing
- (d) The micro-chip revolution

9. The goal of the marketing logistics system should be to provide _____?

- (a) a targeted level of promotional support.
- (b) a targeted level of customer service at the least cost.
- (c) a targeted level of transportation expense ratio.
- (d) a targeted level of field support.

10. The practice of going after a large share of a smaller market or subsets of a few markets is called _____?

- (a) undifferentiated marketing
- (b) differentiated marketing
- (c) concentrated marketing
- (d) turbo marketing

11. ____ has the advantage of being high in selectivity; low cost, immediacy, and interactive capabilities?

- (a) Direct Mail
- (b) Outdoor
- (c) Online
- (d) Radio

12. Marketers are sometimes accused of deceptive practices that lead consumers to believe they will get more value than they actually do. ____ includes practices such as falsely advertising “factory” or “wholesale” prices or a large price reduction from a phony high retail price?

- (a) Deceptive promotion
- (b) Deceptive packaging
- (c) Deceptive pricing
- (d) Deceptive cost structure

13. Each salesperson is assigned to an exclusive area in which to sell the company’s full line of products or services in which type of sales force structure?

- (a) Territorial sales force
- (b) Product sales force
- (c) Customer sales force
- (d) Hybrid sales force

14. Setting the promotion budget so as to match the budgets of the competition is characteristic of which of the following budget methods?

- (a) Affordable method
- (b) Percentage-of-Sales method
- (c) Competitive-and-parity method
- (d) Objective -and-task method

15. ____ is screening new-product ideas in order to spot good ideas and drop poor ones as soon as possible.

- (a) Idea generation
- (b) Concept development and testing
- (c) Idea screening
- (d) Brainstorming

16. A company is in the ____ stage of the new product development process when the company develops the product concept into a physical product in order to assure that the product idea can be turned into a workable product?

- (a) product development
- (b) commercialization
- (c) marketing strategy
- (d) business analysis

17. If a government uses barriers to foreign products such as biases against a foreign company’s bids, or product standards that go against a foreign company’s product features, the government is using ____?

- (a) protectionism
- (b) exchange controls
- (c) exchange facilitators
- (d) non-tariff trade barriers

18. When personal interviewing involves inviting six to ten people to gather for a few hours with a trained interviewer to talk about a product, service, or organization, the method is called ____?

- (a) selective sponsorship
- (b) probing
- (c) focus group interviewing
- (d) the Delphi method

19. The most logical budget setting method is found in the list below. Which is it?

- (a) Affordable method
- (b) Percentage-of-Sales method
- (c) Competitive-parity method
- (d) Objective-and-task method

20. One common misuse of marketing research findings in contemporary business is the tendency for marketing research to ____?

- (a) become a vehicle for pitching the sponsor’s products
- (b) become a vehicle for discriminating in the marketplace
- (c) become a means for raising prices
- (d) become a means for unfair competition

1. Customization means ____?

- a) Designing products to suit company
- b) Designing products to suit individual customers
- c) Designing strategies to suit both company and customers
- d) All the above
- e) none

2. For effective marketing the salesmen should have which of the following qualities?

- a) Creativity
- b) Team spirit
- c) Motivation
- d) Effective communication skills
- e) All of these

3. If Marketing is done effectively which of the following is not required?

- a) Advertisement
- b) Publicity
- c) Market Research
- d) Market Segmentation
- e) None of these

4. Digital Marketing means ____?

- a) Marketing of digital instruments
- b) Marketing through Advertisements
- c) Marketing through Internet and Telephones
- d) Both b & c
- e) none

5. What are the 4 P’s in Marketing?

- a) purpose, place, product and promotion
- b) person, place, product and promotion
- c) price, place, product and promotion
- d) person, price, product and promotion
- e) none

6. Relationship selling means ____?

- a) Cross selling
- b) Selling to relatives
- c) telemarketing
- d) preparing a list of products to sell for customers
- e) none

7. Credit cards are used for ____?

- a) Cash withdrawals
- b) Purchase of air tickets
- c) Purchase of consumable items from retail outlets
- d) All of these
- e) None of these

8. Marketing is successful when ____?

- a) Demand exceeds supply
- b) Salesman are effectively trained
- c) Supply exceeds demand
- d) a company sell products at lower price
- e) none

9. A prospect means ____?

- a) a person who is working in a bank/financial institution
- b) details of a company
- c) a likely buyer
- d) head of an financial institution
- e) none

10. NRI is an easy target for effective marketing because ____?

- a) he likes Indian goods
- b) he is easily approachable
- c) it is cheaper to contact NRIs
- d) there are special products designed for NRIs
- e) none

11. Difference between Direct and Indirect Marketing is ____?

- a) Direct marketing is to banks employees, while Indirect is to outsiders
- b) Direct marketing is to outsider, while Indirect is to bank employees
- c) Direct Marketing is to Bank’s owner, Insiders is to outsiders
- d) Direct Marketing is to other Bank’s employees, Indirect s outsiders
- e) none

12. Effective marketing helps in ____?

- a) developing new products
- b) creating a competitive environment
- c) building demand for products
- d) All of these
- e) None of these

13. In Banking services, market can be segmented on the basis of ____?

- a) density
- b) customers
- c) both a and b
- d) Neither a nor b
- e) none

14. Promotion in Marketing means—

- a) passing an examination
- b) elevation from one grade to another
- c) selling the products through various means
- d) selling the product in specific areas
- e) None of these

15. In ‘Double-win’ strategy-

- a) Customer gets an additional benefit
- b) Customer gets price debate.
- c) Both customs and the sales person come out with sense of satisfaction
- d) Both (a) and (b)
- e) none

16. Which among the following is not an example of Direct marketing?

- a) tele-marketing
- b) sales on internet
- c) mail order sales
- d) Retail stores
- e) none

17. A method, in which Brand equity is measured by comparing difference

between the retail price of the brand and the retail price of an unbranded product in the same category is called:

- a) Brand goodwill method
- b) Price premium method
- c) Both a and b
- d) Neither a nor b
- e) none

18. In marketing ‘initiator’ is a term which describes ____?

- a) who determines that some need is not being met and authorities a purchase to rectify the situation
- b) who most directly involved in the consumption of the product
- c) Both a and b
- d) Neither a nor b
- e) none

19. A non traditional, low cost, flexible and highly effective marketing is termed as ____?

- a) Strategic marketing
- b) Guerilla Marketing(Ans)
- c) Direct Marketing
- e) Indirect Marketing
- e) none

20. Which of the following is most appropriate reason for Bank marketing?

- a) Globalization
- b) Variety of Banking products
- c) mergers
- d) Recession
- e) none

Banking Terms

1. What is a Repo Rate?

A: Repo rate is the rate at which our banks borrow rupees from RBI. Whenever the banks have any shortage of funds they can borrow it from RBI. A reduction in the repo rate will help banks to get money at a cheaper rate. When the repo rate increases, borrowing from RBI becomes more expensive.

2. What is Reverse Repo Rate?

A: This is exact opposite of Repo rate. Reverse Repo rate is the rate at which Reserve Bank of India (RBI) borrows money from banks. RBI uses this tool when it feels there is too much money floating in the banking system. Banks are always happy to lend money to RBI since their money is in safe hands with a good interest. An increase in Reverse repo rate can cause the banks to transfer more funds to RBI due to this attractive interest rates.

3. What is CRR Rate?

A: Cash reserve Ratio (CRR) is the amount of funds that the banks have to keep with RBI. If RBI decides to increase the percent of this, the available amount with the banks comes down. RBI is using this method (increase of CRR rate), to drain out the excessive money from the banks.

4. What is SLR Rate?

A: SLR (Statutory Liquidity Ratio) is the amount a commercial bank needs to maintain in the form of cash, or gold or govt. approved securities (Bonds) before providing credit to its customers.

SLR rate is determined and maintained by the RBI (Reserve Bank of India) in order to control the expansion of bank credit. SLR is determined as the percentage of total demand and percentage of time liabilities. Time Liabilities are the liabilities a commercial bank liable to pay to the customers on their anytime demand. SLR is used to control inflation and propel growth. Through SLR rate tuning the money supply in the system can be controlled efficiently.

5. What is Bank Rate?

A: Bank rate, also referred to as the discount rate, is the rate of interest which a central bank charges on the loans and advances that it extends to commercial banks and other financial intermediaries. Changes in the bank rate are often used by central banks to control the money supply.

6. What is Inflation?

A: Inflation is as an increase in the price of bunch of Goods and services that projects the Indian economy. An increase in inflation figures occurs when there is an increase in the average level of prices in Goods and services. Inflation happens when there are fewer Goods and more buyers; this will result in increase in the price of Goods, since there is more demand and less supply of the goods.

7. What is Deflation?

A: Deflation is the continuous decrease in prices of goods and services. Deflation occurs when the inflation rate becomes negative (below zero) and stays there for a longer period.

8. What is PLR?

A: The Prime Interest Rate is the interest rate charged by banks to their most creditworthy customers (usually the most prominent and stable business customers). The rate is almost always the same amongst major banks. Adjustments to the prime rate are made by banks at the same time; although, the prime rate does not adjust on any regular basis. The Prime Rate is usually adjusted at the same time and in correlation to the adjustments of the Fed Funds Rate. The rates reported below are based upon the prime rates on the first day of each respective month. Some banks use the name

"Reference Rate" or "Base Lending Rate" to refer to their Prime Lending Rate.

9. What is Deposit Rate?

A: Interest Rates paid by a depository institution on the cash on deposit.

Policy Rates:

- Bank Rate: 6.00%
- Repo Rate: 5.25%
- Reverse Repo Rate: 3.75%

Reserve Ratios:

- CRR: 6.00%
- SLR: 25.0%

Lending/Deposit Rates:

- PLR: 11.00%-12.00%.
- Deposit Rate: 6.00%-7.50%.
- Savings Bank rate: 3.5%.

Note: Rates as on 14-05-10.

10. What is FII?

A: FII (Foreign Institutional Investor) used to denote an investor, mostly in the form of an institution. An institution established outside India, which proposes to invest in Indian market, in other words buying Indian stocks. FII's generally buy in large volumes which has an impact on the stock markets. Institutional Investors includes pension funds, mutual funds, Insurance Companies, Banks, etc.

11. What is FDI?

A: FDI (Foreign Direct Investment) occurs with the purchase of the "physical assets or a significant amount of ownership (stock) of a company in another country in order to gain a measure of management control" (Or) A foreign company having a stake in a Indian Company.

12. What is IPO?

A: IPO is Initial Public Offering. This is the first offering of shares to the general public from a company wishes to list on the stock exchanges.

13. What is Disinvestment?

A: The Selling of the government stake in public sector undertakings.

14. What is Fiscal Deficit?

A: It is the difference between the government's total receipts (excluding borrowings) and total expenditure. Fiscal deficit in 2009-10 is proposed at 6.8% of GDP.

15. What is Revenue deficit?

A: It defines that, where the net amount received (by taxes & other forms) fails to meet the predicted net amount to be received by the government. Revenue deficit in 2009-10 is proposed at 4.8% of GDP.

16. What is GDP?

A: The Gross Domestic Product or GDP is a measure of all of the services and goods produced in a country over a specific period; classically a year. GDP during 2008-09 is 6.7%.

17. What is GNP?

A: Gross National Product is measured as GDP plus income of residents from investments made abroad minus income earned by foreigners in domestic market.

18. What is National Income?

A: National Income is the money value of all goods and services produced in a country during the year.

19. What is Per Capita Income?

A: The national income of a country, or region, divided by its population. Per capita income is often used to measure a country's standard of living. Per capita income during 2008-09 estimated by CSO: Rs.25, 494.

20. What is Vote on Account?

A: Vote-on-account is basically a statement, where the government presents an estimate of a sum required to meet the expenditure that it incurs during the first three to four months of an election financial year until a new government is in place, to keep the machinery running.

21. Difference between Vote on Account and Interim Budget?

A: Vote-on-account deals only with the expenditure side of the government's budget, an interim Budget is a complete set of accounts, including both expenditure and receipts.

22. What is SDR?

A: The SDR (Special Drawing Rights) is an artificial currency created by the IMF in 1969. SDRs are allocated to member countries and can be fully converted into international currencies so they serve as a supplement to the official foreign reserves of member countries. Its value is based on a basket of key international currencies (U.S. dollar, euro, yen and pound sterling).

23. What is SEZ?

A: SEZ means Special Economic Zone is the one of the part of government's policies in India. A special Economic zone is a geographical region that economic laws which are more liberal than the usual economic laws in the country. The basic motto behind this is to increase foreign investment, development of infrastructure, job opportunities and increase the income level of the people.

Marketing Concepts for Bank Exams - 2010

Abbreviations that may be asked in Marketing Aptitude:

- **HNI** – High Network Individual.
- **EQO** – Economic Order quality.
- **FDR** – Fixed Deposit Receipts.
- **CNP** – Cardholder Not Present.
- **PIN** – Personal Identification Number.
- **SEO** – Search Engine Optimization.
- **CRM** – Customer Relationship Management.
- **BPO** – Business Process Outsourcing.
- **VAT** – Value Added Tax.
- **IDRA** – Industries Development and Regulation Act.
- **MR** – Marginal Revenue.
- **PAN** – Permanent Account Number.
- **BEP** – Break Even Point.
- **NPA** – Non Performing Assets.
- **ATM** – Automated Teller Machine.
- **ROA** – Return on Assets.
- **M & A** – Mergers & Acquisitions.
- **SEBI** – Securities Exchange Board of India.
- **GDP** – Gross Domestic Product.
- **IPO** – Initial Public Offering.

What is Viral Marketing?

Marketing by the word of the mouth, having a high pass-rate from person to person is called Viral marketing. Creating a 'buzz' in the industry is an example of viral marketing.

What is Bench Marketing?

A comparison of the business processes with competitors and improving prevailing ones is called bench marketing.

What is Drip Marketing?

The method of sending promotional items to clients is called Drip marketing.

What is Guerilla Marketing?

Unconventional marketing intended to get maximum results from minimal resources is nothing but Guerilla Marketing.

What is Social Media Marketing?

Social media marketing is marketing using online communities, social networks, blog marketing and more.

What is Direct Marketing?

Direct Marketing is a form of advertising that directly reaches to the customers on a personal basis (like phone calls, private mailings, etc) rather than traditional channel of advertising (like TV, Newspapers, etc).

Types of Direct marketing:

There are many types of direct marketing, only some important types are listed below and these are the most form of direct marketing.

i) Direct Mail Marketing: Advertising material sent directly to home and business addresses. This is the most common form of direct marketing.

ii) Telemarketing: It is the second most common form of direct marketing, in which marketers contact consumers by phone.

iii) Email Marketing: This type of marketing targets customers through their email accounts.

What is Indirect Marketing?

Indirect Marketing is the distribution of a particular product through a channel that includes one or more resellers.

Difference b/w Direct and Indirect Marketing: Direct marketing is basically advertising your own products or services.

In the same way you might advertise for someone else is called Indirect marketing, is an increasingly popular way of doing business.

What is Internet Marketing?

Internet marketing is the marketing of products or services over the Internet.

Internet Marketing is also known as i-marketing, web-marketing, online-marketing, Search Engine Marketing (SEM) or e-Marketing.

What is Digital Marketing?

Digital Marketing is the practice of promoting products and services using all forms of digital advertising. It includes Television, Radio, Internet, mobile and any other form of digital media.

Marketing Mix:

The Marketing Mix model (also known as the 4 P's) can be used by marketers as a tool to assist in defining the marketing strategy. The idea was that if you could identify the right combination of these elements, your marketing would succeed. E. Jerome McCarthy introduced the 4 P's of Marketing as a way to describe the mix of factors required to successfully market a product.

The 4 P's are:

- Product
- Price
- Promotion
- Place (distribution)

The 5 P's of marketing is 4 P's + People/Packaging/Process/etc.

The 7 P's of marketing consists of:

- Product
- Price
- Place
- Promotion
- People
- Process
- Physical evidence.

The first 4 P's are considered the basis of any marketing process. The last 3 P's are a recent addition to the entire marketing process.

What is SWOT Analysis?

SWOT stands for Strengths, Weaknesses, Opportunities, and Threats. SWOT analysis is a tool for auditing an organization and its environment. It is the first stage of planning and helps marketers to focus on key issues. Strengths and weaknesses are internal factors. Opportunities and threats are external factors.

What is Customer Relationship Management (CRM)?

Customer Relationship Management concerns the relationship between the organization and its customers. It is a process or methodology used to learn more about customers' needs and behaviors in order to develop stronger relationships with them.

What are the Three Levels of a Product?

- Core Product
- Actual Product
- Augmented Product

What is Market Research?

Market research is any organized effort to gather information about markets or customers. Market research is for discovering what people want, need, or believe. It can also involve discovering how they act. Once that research is completed, it can be used to determine how to market your product.

What is Market Information?

To know the prices of the different commodities in the market, as well as the supply and demand situation.

What is Market Segmentation?

The division of a market into different homogeneous groups of consumers is known as market segmentation. The purpose for segmenting a market is to allow your marketing program to focus on the subset of prospects that are "most likely" to purchase your offering. If done properly this will help to insure the highest return for your marketing expenditures.

What is Branding?

The essence of a product, its quality and competitiveness displayed in the form of letters, symbols and colours is known as branding.

What is Marketing?

The process of planning and executing the concepts, pricing, promotion and distribution of ideas/goods/services to satisfy individual's/organizational goals is called marketing.

1. **Repo rate** - 5.25%. (Very Recently Rbi(July 2nd) has increased the base rates by 25 basis points(i.e Repo rate & Reverse repo rate). Now its is 5.5% and 4% respectively... but the question paper is prepared before a month so the answer would be 5.25%.)

2. Food Inflation in 2009-10 - **17%**.

3. South Africa Currency - **Rand**.

(Countries, Currencies, President's/PM's)

4. GDP - **Gross Domestic Product**.

(Financial & Banking Acronyms)

5. 2012 Olympics will be held in - **London**.

6. Earth Day is observed on - **April 22nd**.

(Important Days)

7. NBFC - **Non banking finance company**.

8. India - Palestine - **Wets Asia conflict**.

9. Bear and Bulls related to - **Stock Market**.

10. Special Drawing Rights issued by - **IMF**.

11. Term used in Hockey - **Penalty Corner**.

12. Economic Survey is done for the year - **2009-10**.

13. Which country facing Crisis in Europe - **Greece**.

14. Women's Reservation in state assemblies - **33%**.

15. Base rate will be implemented from - **July 2010**.

16. Scheme related to Rural Health Scheme - **NHRM**.

17. Who is not related to famous author - **M F Hussain**.

18. India Bangladesh power plant in which city - **Khulna**.

19. WADI in West Bengal - **tribal development programme**.

20. Chairman of 13th finance commission - **Vijay Kelkar**.

21. Player associated with women's cricket - **Mithali Raj**.

22. India and Saudi Arabia signed pacts in - **Energy Sector**.

23. Which country is not playing International cricket - **China**.

24. First woman president of Costa Rica - **Laura Chinchilla**.

25. Government has granted 1,200 crore to - **Bundelkhand region**.

26. Viktor Yanukovich has been elected as - **President of Ukraine**.

27. Banking services to rural people termed as - **Financial Inclusion**.

28. To which country India has given 1 billion US dollars - **Bangladesh**.

29. Teams played in IPL final - **Chennai Super Kings vs Mumbai Indians**.

30. Which of the following is not related to banking and finance - **Cell fusion**.

31. Which country has reservation in parliament for women like India - **France**.

32. Who presented the Union budget 2010-11 in parliament - **Pranab Mukherjee**

33. Recently which country celebrated Rabindranath Tagore birthday - **China**.

34. Which of the following award is not given in the not the field of literature - **Arjuna Awards**.

35. Which country objected the meeting between Dalai Lama and Barack Obama - **China**.

36. Which of the following told government must cut its fiscal deficit to 3% - **13th Finance Commission**.

37. Ela Bhatt chosen for Niwano Peace Prize, she is from which Organisation - **SEWA**.

38. Which of the following is a book written by R K Narayan - **The World of Nagaraj**.

39. Who won the best male actor in 55th Filmfare awards - **Amitabh Bachchan**.

40. The details of the company's financial position in the annual report of a company is known as - **balance sheet**.

41. Which of the following cup is not related to Cricket - **Scindia Gold cup**.

Bank of Baroda Probationary Officers Exam., 2008

(Held on 5-10-2008)

General Socio-Economic & Banking Awareness: Solved Paper

1. RBI's open market operation transactions are carried out with a view to regulate—

- (A) Liquidity in the economy
- (B) Prices of essential commodities
- (C) Inflation
- (D) Borrowing power of the banks
- (E) All the above

2. When more than one banks are allowing credit facilities to one party in coordination with each other under a formal arrangement, the arrangement is generally known as—

- (A) Participation
- (B) Consortium
- (C) Syndication
- (D) Multiple banking
- (E) None of these

3. Open market operations, one of the measures taken by RBI in order to control credit

expansion in the economy means —

- (A) Sale or purchase of Govt. securities
- (B) Issuance of different types of bonds
- (C) Auction of gold
- (D) To make available direct finance to borrowers
- (E) None of these

4. The bank rate means—

- (A) Rate of interest charged by commercial banks from borrowers
- (B) Rate of interest at which commercial banks discounted bills of their borrowers
- (C) Rate of interest allowed by commercial banks on their deposits
- (D) Rate at which RBI purchases or rediscounts bills of exchange of commercial banks
- (E) None of these

5. What is an Indian Depository Receipt ?

- (A) A deposit account with a Public Sector Bank
- (B) A depository account with any of Depositories in India
- (C) An instrument in the form of depository receipt created by an Indian depository against underlying equity shares of the issuing company
- (D) An instrument in the form of deposit receipt issued by Indian depositories
- (E) None of these

6. An instrument that derives its value from a specified underlying (currency, gold, stocks etc.) is known as—

- (A) Derivative
- (B) Securitisation Receipts
- (C) Hedge Fund
- (D) Factoring
- (E) Venture Capital Funding

7. Fiscal deficit is—

- (A) total income less Govt. borrowing
- (B) total payments less total receipts
- (C) total payments less capital receipts
- (D) total expenditure less total receipts excluding borrowing
- (E) None of these

8. In the Capital Market, the term arbitrage is used with reference to—

- (A) purchase of securities to cover the sale
- (B) sale of securities to reduce the loss on purchase
- (C) simultaneous purchase and sale of securities to make profits from price
- (D) variation in different markets
- (E) Any of the above

9. Reverse repo means—

- (A) Injecting liquidity by the Central Bank of a country through purchase of Govt. securities
- (B) Absorption of liquidity from the market by sale of Govt. securities
- (C) Balancing liquidity with a view to enhancing economic growth rate
- (D) Improving the position of availability of the securities in the market
- (E) Any of the above

10. The stance of RBI monetary policy is—

(A) inflation control with adequate liquidity for growth

- (B) improving credit quality of the Banks
- (C) strengthening credit delivery mechanism
- (D) supporting investment demand in the economy
- (E) Any of the above

11. Currency Swap is an instrument to manage—

- (A) Currency risk
- (B) interest rate risk
- (C) currency and interest rate risk
- (D) cash flows in different currencies
- (E) All of the above

12. 'Sub-prime' refers to—

- (A) lending done by banks at rates below PLR
- (B) funds raised by the banks at sub-Libor rates
- (C) Group of banks which are not rated as prime banks as per Banker's Almanac
- (D) lending done by financing institutions including banks to customers not meeting with normally required credit appraisal standards
- (E) All of the above

13. Euro Bond is an instrument—

- (A) issued in the European market
- (B) issued in Euro Currency
- (C) issued in a country other than the country of the currency of the Bond
- (D) All of the above
- (E) None of these

14. Money Laundering normally involves—

- (A) placement of funds
- (B) layering of funds
- (C) integration of funds
- (D) All of (A), (B) and (C)
- (E) None of (A), (B) and (C)

15. The IMF and the World Bank were conceived as institutions to—

- (A) strengthen international economic co-operation and to help create a more stable and prosperous global economy
- (B) IMF promotes international monetary cooperation
- (C) The World Bank promotes long term economic development and poverty reduction
- (D) All of (A), (B) and (C)
- (E) None of (A), (B) and (C)

16. Capital Market Regulator is—

- (A) RBI
- (B) IRDA
- (C) NSE
- (D) BSE
- (E) SEBI

17. In the term BRIC, R stands for—

- (A) Romania
- (B) Rajithan
- (C) Russia
- (D) Regulation
- (E) None of these

18. FDI refers to—

- (A) Fixed Deposit Interest
- (B) Fixed Deposit Investment
- (C) Foreign Direct Investment
- (D) Future Derivative Investment
- (E) None of these

19. What is Call Money ?

- (A) Money borrowed or lent for a day or over night
- (B) Money borrowed for more than one day but upto 3 days
- (C) Money borrowed for more than one day but upto 7 days

(D) Money borrowed for more than one day but upto 14 days

(E) None of these

20. Which is the first Indian company to be listed in NASDAQ ?

- (A) Reliance
- (B) TCS
- (C) HCL
- (D) Infosys
- (E) None of these

21. Which of the following is the Regulator of the credit rating agencies in India

- (A) RBI
- (B) SBI
- (C) SIDBI
- (D) SEBI
- (E) None of these

22. Who is Brand Endorsing Personality of Bank of Baroda ?

- (A) Juhi Chawla
- (B) Kiran Bedi
- (C) Amitabh Bachchan
- (D) Kapil Dev
- (E) None of these

23. The branding line of Bank of Baroda is —

- (A) International Bank of India
- (B) India's International Bank
- (C) India's Multinational Bank
- (D) World's local Bank
- (E) None of these

24. The logo of Bank of Baroda is known as—

- (A) Sun of Bank of Baroda
- (B) Baroda Sun
- (C) Bank of Baroda's Rays
- (D) Sunlight of Bank of Baroda
- (E) None of these

25. Which of the following statements(s) is/are True about the exports of China which is a close competitor of India ?

- (i) China's economic success is basically on the fact that it exports cheaper goods to rich nations like the USA, etc.
 - (ii) In the year 2007 China's exports became almost 40% of its GDP.
 - (iii) When compared to India China's share in the World Exports is more than 30% whereas India's share is mere 6% of the global exports.
- (A) Only (i)
 - (B) Only (ii)
 - (C) Both (i) and (ii)
 - (D) All (i), (ii) and (iii)
 - (E) None of these

26. One of the major challenges banking industry is facing these days is money laundering. Which of the following acts/norms are launched by the banks to prevent money laundering in general ?

- (A) Know Your Customer Norms
- (B) Banking Regulation Act
- (C) Negotiable Instrument Act
- (D) Narcotics and Psychotropic Substance Act
- (E) None of these

27. Lot of Banks in India these days are offering M-Banking Facility to their customers. What is the full form of 'M' in 'M-Banking' ?

- (A) Money
- (B) Marginal
- (C) Message
- (D) Mutual Fund

28. Which of the following is/are true about the 'Sub-Prime Crisis' ? (The term was very much in news recently.)

- (i) It is a mortgage crisis referring to credit default by the borrowers.
- (ii) Sub-Prime borrowers were those borrowers who were rated low and were high risk borrowers.
- (iii) This crisis originated because of negligence in credit rating of the borrowers.

- (A) Only (i)
- (B) Only (ii)
- (C) Only (iii)
- (D) All (i), (ii) and (iii)
- (E) None of these

29. Which of the following is not the part of the structure of the Financial System in India ?

- (A) Industrial Finance
- (B) Agricultural Finance
- (C) Government Finance
- (D) Development Finance
- (E) Personal Finance

30. Which of the following is not the part of the scheduled banking structure in India ?

- (A) Money Lenders
- (B) Public Sector Banks
- (C) Private Sector Banks
- (D) Regional Rural Banks
- (E) State Co-operative Banks

31. As we all know Govt. of India collects tax revenue on various activities in the country. Which of the following is a part of the tax revenue of the Govt. ?

- (i) Tax on Income
 - (ii) Tax on Expenditure
 - (iii) Tax on Property or Capital Asset
 - (iv) Tax on Goods and Services
- (A) Both (i) and (iii) only
 - (B) Both (ii) and (iv) only
 - (C) All (i), (ii), (iii) and (iv)
 - (D) Only (ii), (iii) and (iv)
 - (E) None of these

32. We very frequently read about Special Economic Zones (SEZs) in newspapers. These SEZs were established with which of the following objectives ?

- (i) To attract foreign investment directly.
- (ii) To protect domestic market from direct competition from multinationals.
- (iii) To provide more capital to agricultural and allied activities.

- (A) Only (i)
- (B) Only (ii)
- (C) Only (iii)
- (D) All (i), (ii) and (iii)
- (E) None of these

33. Which of the following groups of countries has almost 50% share in global emission of carbon every year ?

- (A) US, China, India, South Africa
- (B) India, China, Russia, Britain
- (C) South Africa, Nepal, Myanmar
- (D) US, Russia, China & India
- (E) None of these

34. Which of the following correctly describes the concept of 'Nuclear Bank' floated by International Atomic Energy Agency ?

- (i) It is a nuclear fuel bank to be shared by all the nations jointly.

(ii) It is a facility to help countries in enrichment of uranium.

(iii) It is an agency which will keep a close vigil on the nuclear programme of all the nations.

- (A) Only (i)
- (B) Only (ii)
- (C) Both (i) and (iii) only
- (D) Only (iii)
- (E) Both (i) and (ii) only

35. Many times we read about Future Trading in newspapers. What is 'Future Trading' ?

(i) It is nothing but a trade between any two stock exchanges wherein it is decided to purchase the stocks of each other on a fixed price throughout the year.

(ii) It is an agreement between two parties to buy or sell an underlying asset in the future at a predetermined price.

(iii) It is an agreement between stock exchanges that they will not trade the stocks of each

other under any circumstances in future or for a given period of time.

- (A) Only (i)
- (B) Only (ii)
- (C) Only (iii)
- (D) All (i), (ii) and (iii)
- (E) None of these

36. Inflation in India is measured on which of the following indexes/indicators

- (A) Cost of Living Index (COLI)
- (B) Consumer Price Index (CPI)
- (C) Gross Domestic Product
- (D) Wholesale Price Index (WPI)
- (E) None of these

37. As per the reports published in the newspapers a section of society staged a demonstration at the venue of the G-8 Summit recently. What was/were the issues towards which these demonstrators were trying to draw the attention of G-8 leaders ?

- (i) Food shortage which has taken 50 million people in its grip.
- (ii) Inflation which has gone up substantially across the Globe.
- (iii) USA's consistent presence in Iraq.

- (A) Only (i)
- (B) Only (ii)
- (C) Only (iii)
- (D) Both (i) and (ii) only
- (E) None of these

38. Hillary Clinton formally suspended her campaign to ensure election of who amongst the following for the next President of USA ?

- (A) George Bush
- (B) Barack Obama
- (C) John McCain
- (D) Bill Clinton
- (E) None of these

39. Hugo Chavez whose name was recently in news is the—

- (A) President of Congo
- (B) Prime Minister of Uganda
- (C) President of Venezuela
- (D) Prime Minister of Brazil
- (E) None of these

40. The Govt. of India has raised the amount of the Loan Waiver to the farmers by 20%. Now the amount is nearly—

- (A) Rs. 60,000 crore
- (B) Rs. 65,000 crore

- (C) Rs. 72,000 crore
- (D) Rs. 76,000 crore
- (E) Rs. 80,000 crore

41. Delimitation Commission has made a recommendation that next Census should be Panchayat-wise. When is the next Census due ?

- (A) 2010
- (B) 2011
- (C) 2012
- (D) 2013
- (E) 2015

42. The World Health Organisation has urged that advertisements of which of the following should be banned to protect youth from bad effects of the same ?

- (A) Tobacco
- (B) Alcoholic drinks
- (C) Junk Food
- (D) Soft drinks with chemical preservatives
- (E) None of these

43. Which of the following countries has allocated a huge amount of US \$ 10 billion to provide relief to its earthquake victims ?

- (A) Japan
- (B) South Korea
- (C) China
- (D) South Africa
- (E) None of these

44. India and Nepal have many agreements on sharing of the water of various rivers. Which of the following rivers is not covered under these agreements ?

- (A) Kosi
- (B) Gandak
- (C) Ganga
- (D) Mahakali
- (E) All these rivers are covered

45. Which of the following names is not closely associated with space programme of India or any other country ?

- (A) CARTOSAT
- (B) NLS - 5
- (C) RUBIN - 8
- (D) GSLV
- (E) SCOPE

46. Vijay Hazare Trophy is associated with the game of—

- (A) Hockey
- (B) Cricket
- (C) Badminton
- (D) Football
- (E) Golf

47. Which of the following was the theme of the Olympic Torch ?

- (A) Journey of Harmony
- (B) Green World Clean World
- (C) Journey of Peace
- (D) Journey for Hunger-free World
- (E) None of these

48. Which of the following schemes is not a social development Scheme ?

- (A) Indira Awas Yojana
- (B) Mid Day Meal
- (C) Bharat Nirman Yojana
- (D) Sarva Shiksha Abhiyan
- (E) All are social schemes

49. Which of the following is not a member of the ASEAN ?

- (A) Malaysia
- (B) Indonesia
- (C) Vietnam

- (D) Britain
- (E) Singapore

50. Which of the following Awards are given for excellence in the field of Sports

- (A) Kalinga Prize
- (B) Shanti Swarup Bhatnagar Award
- (C) Arjun Award
- (D) Pulitzer Prize
- (E) None of these

Answers :

- 1. (E) 2. (B) 3. (A) 4. (D) 5. (C) 6. (C) 7. (D) 8. (C)
- 9. (A) 10. (E)
- 11. (D) 12. (D) 13. (C) 14. (D) 15. (D) 16. (E) 17. (C)
- 18. (C) 19. (A) 20. (D)
- 21. (D) 22. (E) 23. (B) 24. (B) 25. (C) 26. (E) 27. (E)
- 28. (D) 29. (E) 30. (A)
- 31. (C) 32. (A) 33. (D) 34. (B) 35. (B) 36. (D) 37. (B)
- 38. (B) 39. (C) 40. (A)
- 41. (B) 42. (A) 43. (C) 44. (C) 45. (E) 46. (B) 47. (A)
- 48. (C) 49. (D) 50. (C)